authorised user from providing a copy of said authorising software to someone else; and said authorising software and said identity software being software meeting said existing standard;

wherein said <u>standard</u> computer comprises no hardware specific to said rightful or authorised user for directly or indirectly authorising use of said protected software thereon <u>and said protection software</u>, when executed, provides no individual and effective protection on said identity software against unauthorised use.

Remarks

- 1) In the Final Office Action, P.2, item 1c), claims 1-7 and 9-21 are rejected under 35 U.S.C. 102(e) as being anticipated by Ananda(645).
- a) And, in support of the rejections, the Examiner states, in the Final Office Action, P.2, item 3a, that my arguments(response to First Office Action) filed on 18 Aug., 97 are not deemed to be persuasive for the reason that "the rightful user make copies of ... software available" is probably the most prevalent form of unauthorised software distribution.

The rejections are respectfully traversed. The independent claims 1, 12 are being amended to define the invention more precisely and be consistent with the above-mentioned arguments of mine.

As readable from the amended claims and as submitted in those arguments, the invention as defined by independent claims 1, 12 as amended is directed to an authorising software which use the presence of the identity software or a functional equivalent thereof, with no individual protection against unauthorised use, as a Therefore, although the authorising software being copyable precondition for authorising use of protected software. The rightful or authorised user will of course be discouraged by the present invention, from copying a functional copy of his/her authorising software to any one else. In this way, use of the protected software by an unauthorised user is being prevented. And the present invention is neither disclosed nor suggested by Ananda.

b) And, in support of the rejections, the Examiner states, in the Final Office Action, P.2, item 3a, that my arguments (response to First Office Action) filed on 18 Aug., 97 are not deemed to be persuasive for the reason that claim 12 specifies purchase and rental of software program is (as disclosed by Ananda) is merely a time-limited purchase.

The rejection are respectfully traversed. It is respectfully submitted that, it is not readable on Ananda's document that "the rental of software program" as disclosed therein is merely a time-limited purchase.

Further, it is readable on the "OXFORD ENCYCLOPEDIC ENGLISH DICTIONARY" that, "purchase" means "acquire by payment" or "buy", whereas "rent" means "payment for use of a service, equipment, etc.". According, rental of a program can only be regarded as a purchase of right of time-limited use thereof, and the owner thereof is not being transfered. And, to purchase a program of limited using time and to purchase the right of time-limited use of a program(i.e. rent) are completely different, in the former case the purchaser obtains the ownership of the program, although it may not be usable after a predetermined period of use, and in the latter case, the purchaser merely obtains the right of limited use and should return the program to its owner thereafter. It is sometimes very difficult to distinguish the 2 cases in real life because a program is very easy to duplicate and it is meaningless to ask a user to return a rental program after use, so if the Examiner desires, I am willing to further amend claim 12, to make it more easily to distinguish between claim 12 and Ananda.

Further, as readable on independent claims 1, 8, 11 of Ananda, the rental software will be terminated on a first/user computer if authorisation or the like is not obtained from a remote computer. In other words, whether a user can continue to use a rental software or not depends on whether the user can obtain further authorisations or the like from the remote computer which being not under his control, and therefore,

even if the software was not being indicated as "rental", it could not be a purchased software because a owner should have the right to use his software without authorisation from other party.

Date: Oct., 30, 97

Respectfully submitted,

Ho Keung, Tse.